

104TH CONGRESS
1ST SESSION

H. R. 735

To establish a national commission to oversee and regulate major league and minor league baseball, to promote the interests of consumers, local communities, and taxpayers, to recommend modification of the antitrust exemption for Major League Baseball, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 1995

Mr. LAFALCE introduced the following bill; which was referred to the Committee on Commerce and, in addition, to the Committees on Economic and Educational Opportunities and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a national commission to oversee and regulate major league and minor league baseball, to promote the interests of consumers, local communities, and taxpayers, to recommend modification of the antitrust exemption for Major League Baseball, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Commission
5 on Professional Baseball Act of 1995”.

1 **SEC. 2. ESTABLISHMENT.**

2 There is hereby established the National Commission
3 on Professional Baseball (hereafter in this Act referred to
4 as the “Commission”).

5 **SEC. 3. MEMBERSHIP.**

6 (a) NUMBER AND APPOINTMENT.—The Commission
7 shall be composed of seven members, all of whom shall
8 be appointed by the President. The President shall ap-
9 point—

10 (1) one member after consultation with the
11 owners of Major League Baseball;

12 (2) one member after consultation with the
13 Major League Baseball Players Association;

14 (3) one member after consultation with the Na-
15 tional Association of Professional Baseball Leagues,
16 Incorporated;

17 (4) one member after solicitation of rec-
18 ommendations from government officials of cities,
19 towns, or counties in which major league and minor
20 league baseball teams are located; and

21 (5) three members after consultation with base-
22 ball fan organizations and the informal solicitation
23 of recommendations from the general public, one of
24 whom the President shall designate as Chairman of
25 the Commission.

1 (b) TERM.—Members of the Commission shall be ap-
2 pointed for a five-year term. In the event that the term
3 of the Commission is extended by the Congress pursuant
4 to section 10 of this Act, the term of individual members
5 shall also be extended, except that no individual may serve
6 as a member for more than six years.

7 (c) QUORUM.—A majority of the members of the
8 Commission shall constitute a quorum, but the Commis-
9 sion may provide for the taking of testimony and the re-
10 ception of evidence at meetings at which there are present
11 not less than three members of the Commission.

12 (d) APPOINTMENT DATE.—The first appointments
13 made under subsection (a) shall be made within sixty days
14 after the date of enactment of this Act.

15 (e) FIRST MEETING.—The first meeting of the Com-
16 mission shall be called by the Chairman and shall be held
17 within ninety days after the date of enactment of this Act.

18 (f) PUBLIC MEETINGS.—All Commission meetings
19 and hearings shall be open to the public.

20 (g) VACANCY.—If any member of the Commission is
21 unable to serve a full term or becomes unqualified to serve
22 in such position, a new member shall be appointed to serve
23 the remainder of such term of office, within forty-five days
24 of the vacancy, in the same manner in which the original
25 appointment was made.

1 **SEC. 4. DUTIES OF THE COMMISSION.**

2 The duties of the Commission are to oversee and in-
3 vestigate any aspect of major league baseball and minor
4 league baseball, where, in the opinion of the Commission,
5 it is in the best interests of baseball to intervene, including
6 but not limited to the—

7 (1) negotiation of contract agreements between
8 major league team owners and players;

9 (2) renegotiation of the professional baseball
10 agreement between major league and minor league
11 team owners;

12 (3) setting of ticket prices;

13 (4) expansion and relocation of major league
14 and minor league team franchises;

15 (5) structural requirements and financing of
16 baseball stadiums and facilities;

17 (6) terms and conditions of minor league player
18 contracts;

19 (7) licensing of television broadcast rights and
20 allocation of television revenues;

21 (8) licensing and marketing of merchandise and
22 allocation of revenues; and

23 (9) revenue sharing among owners of major
24 league teams and among the major and minor
25 leagues.

1 (b) ARBITRATION AND MEDIATION.—The duty of the
2 Commission to intervene in any aspect of major league or
3 minor league baseball, pursuant to subsection (a) of this
4 section, shall include but not be limited to the—

5 (1) conduct of binding arbitration in the event
6 of a labor impasse between Major League Baseball
7 and players; and

8 (2) mediation or arbitration of disputes between
9 Major League Baseball or individual owners of
10 major league teams and minor league baseball team
11 owners.

12 **SEC. 5. POWERS OF THE COMMISSION.**

13 (a) HEARINGS AND MEETINGS.—The Commission or,
14 on authorization of the Commission, a panel of at least
15 three members of the Commission, may hold such hear-
16 ings, sit and act at such times and places, take such testi-
17 mony, and receive such evidence, as the Commission con-
18 siders appropriate.

19 (b) OBTAINING INFORMATION.—The Commission
20 may secure directly from any Federal department, agency,
21 or court information and assistance necessary to enable
22 it to carry out this Act. Upon request of the Chairman
23 of the Commission, the head of such agency or department
24 shall furnish such information or assistance to the Com-
25 mission. In addition, the Commission may request any rel-

1 evant information from any appropriate parties with an
2 interest in major league or minor league baseball.

3 (c) SUBPOENA POWER.—

4 (1) ISSUANCE.—The Commission may issue
5 subpoenas requiring the attendance and testimony of
6 witnesses and the production of any evidence that
7 relates to any matter under investigation by the
8 Commission. The attendance of witnesses and the
9 production of evidence may be required from any
10 place within a judicial district at any designated
11 place of hearing within the judicial district.

12 (2) ENFORCEMENT.—If a person issued a sub-
13 poena under paragraph (1) refuses to obey the sub-
14 poena or is guilty of contumacy, any court of the
15 United States within the judicial district within
16 which the hearing is conducted or within the judicial
17 district within which the person is found or resides
18 or transacts business may (upon application by the
19 Commission) order the person to appear before the
20 Commission to produce evidence or to give testimony
21 relating to the matter under investigation. Any fail-
22 ure to obey the order of the court may be punished
23 by the court as a contempt of the court.

24 (3) MANNER OF SERVICE.—A subpoena of the
25 Commission shall be served in the manner provided

1 for subpoenas issued by a United States district
2 court under the Federal Rules of Civil Procedure for
3 the United States district courts.

4 (4) PLACE OF SERVICE.—All process of any
5 court to which application may be made under this
6 section may be served in the judicial district in
7 which the person required to be served resides or
8 may be found.

9 (d) ORDERS AND INJUNCTIONS.—Whenever the
10 Commission has reason to believe that an act or practice
11 of Major League Baseball or of any individual owner of
12 a major league baseball team may not be in the public
13 interest or in the best interest of baseball, the Commission
14 shall have authority—

15 (1) to issue orders to stay temporarily such act
16 or practice pending review by the Commission or
17 pending a request for mediation or arbitration of
18 disputes involving such action submitted to the Com-
19 mission by baseball players, minor league team own-
20 ers, or public officials; and

21 (2) to bring a civil action in an appropriate dis-
22 trict court of the United States to enjoin such act
23 or practice and, upon proper showing that such ac-
24 tion would be in the public interest, to obtain a tem-
25 porary restraining order or a preliminary injunction

1 against such act or practice: *Provided, however,* That
2 in proper cases the Commission may seek, and upon
3 proper showing of proof, the court may grant a per-
4 manent injunction.

5 (f) FACILITIES AND SUPPORT SERVICES.—The Ad-
6 ministrators of General Services shall provide to the Com-
7 mission on a reimbursable basis such facilities and support
8 services as the Commission may request. Upon request of
9 the Commission, the head of a Federal department or
10 agency may make any of the facilities and services of such
11 agency available to the Commission to assist the Commis-
12 sion in carrying out its duties under this Act.

13 (g) EXPENDITURES AND CONTRACTS.—The Commis-
14 sion or, on authorization of the Commission, a member
15 of the Commission may make expenditures and enter into
16 contracts for the procurement of such supplies, services,
17 and property as the Commission or members consider ap-
18 propriate for the purposes of carrying out the duties of
19 the Commission. Such expenditures and contracts may be
20 made only to such extent or in such amounts as appro-
21 priated under section 9 of this Act.

22 (h) MAILS.—The Commission may use the United
23 States mails in the same manner and under the same con-
24 ditions as other Federal departments and agencies of the
25 United States.

1 **SEC. 6. COMPENSATION OF THE COMMISSION.**

2 (a) COMPENSATION.—Each member of the Commis-
3 sion shall be a full-time Federal employee and shall be
4 paid at an annual rate of basic pay payable for level II
5 of the Executive Schedule under section 5313 of title 5,
6 United States Code.

7 (b) EXPENSES.—Members of the Commission shall
8 be reimbursed for travel, subsistence, and other necessary
9 expenses incurred by them in the performance of their du-
10 ties.

11 **SEC. 7. STAFF OF COMMISSION; EXPERTS AND CONSULT-**
12 **ANTS.**

13 (a) STAFF.—

14 (1) APPOINTMENT.—The Chairman of the
15 Commission may appoint and terminate no more
16 than ten staff personnel to enable the Commission to
17 perform its duties.

18 (2) COMPENSATION.—The Chairman of the
19 Commission may fix the compensation of personnel
20 without regard to the provision of chapter 51 and
21 subchapter II of chapter 53 of title 5, United States
22 Code, relating to classification of position and Gen-
23 eral Schedule pay rates, except that the rate of pay
24 may not exceed the rate payable for level V of the
25 Executive Schedule under section 5316 of such title.

1 (b) EXPERTS AND CONSULTANTS.—The Commission
2 may procure temporary and intermittent services of ex-
3 perts and consultants under section 3109(b) of title 5,
4 United States Code.

5 **SEC. 8. REPORT TO CONGRESS.**

6 (a) COMMISSION STUDY.—The Commission shall un-
7 dertake a study of the antitrust exemption for Major
8 League Baseball that shall include but not be limited to
9 analysis of the—

10 (1) effects of the antitrust exemption on major
11 league and minor league baseball players, minor
12 league baseball teams, baseball fans, local govern-
13 ments, and taxpayers of municipalities in which
14 baseball teams are located;

15 (2) possible effects of continuing the antitrust
16 exemption;

17 (3) possible effects of proposals for modification
18 of the antitrust exemption on Major League Base-
19 ball, minor league baseball teams, major league and
20 minor league baseball players, baseball fans, local
21 governments, and taxpayers, including but not lim-
22 ited to proposals for—

23 (A) elimination of the antitrust exemption;

24 (B) partial elimination of the antitrust ex-
25 emption for purposes of labor relations between

1 Major League Baseball and professional base-
2 ball players or for purposes of major league
3 team franchise expansion or relocation; and

4 (C) elimination of the antitrust exemption
5 with protections to hold harmless existing con-
6 tractual relationships between major league and
7 minor league baseball teams with respect to
8 player development, territorial arrangements,
9 and other activities that might otherwise be
10 subject to the antitrust laws.

11 (b) REPORT.—Not later than three years after the
12 date of the enactment of the Act, the Commission shall
13 submit to the Congress a report containing its findings
14 and conclusions pursuant to this section, together with its
15 recommendations as to any legislation it may consider ap-
16 propriate for modification of the antitrust exemption for
17 Major League Baseball.

18 **SEC. 9. AUTHORIZATION AND FEES.**

19 (a) AUTHORIZATION.—There are authorized to be ap-
20 propriated such funds as may be necessary to carry out
21 this title, except that the amount of such funds shall not
22 exceed the amount of funds made available pursuant to
23 subsection (b) of this section. All funds appropriated
24 under this section shall remain available until expended.

1 (b) FEES.—Major League Baseball shall pay to the
2 Treasury of the United States on or before March 15 of
3 each calendar year a fee in the amount of two-tenths of
4 1 per centum of the aggregate dollar amount of combined
5 team revenues received during each preceding calendar
6 year, except that the Commission, by rule, may exempt
7 any revenue or class of revenue from any fee imposed by
8 this subsection, if the Commission finds that such exemp-
9 tion is consistent with the public interest. The Commis-
10 sion, by rule, shall set forth the manner and terms under
11 which such payment shall be made after consultation with
12 the Secretary of the Treasury and Major League Baseball.
13 Payment of any fee under this subsection shall be made
14 for each of the five years that this Act shall be effective,
15 and for any additional years the Congress shall determine
16 pursuant to section 10 of this Act.

17 **SEC. 10. TERM OF THE COMMISSION.**

18 The duties and powers set forth in this Act shall
19 cease to be effective five years after the date of enactment,
20 unless otherwise extended by the Congress.

21 **SEC. 11. EFFECTIVE DATE.**

22 This Act shall take effect on the date of enactment.

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